

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1401 be amended to read as follows:

- 1 Page 1, delete lines 1 through 17, begin a new paragraph and insert:
- 2 "SECTION 1. IC 2-5-1.5 IS ADDED TO THE INDIANA CODE AS
- 3 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1,
- 4 2004]:
- 5 **Chapter 1.5. Public Officers Compensation Advisory**
- 6 **Commission**
- 7 **Sec. 1. This chapter applies after December 31, 2004.**
- 8 **Sec. 2. As used in this chapter, "commission" refers to the**
- 9 **public officers compensation advisory commission established by**
- 10 **section 7 of this chapter.**
- 11 **Sec. 3. As used in this chapter, "growth rate" refers to the rate**
- 12 **of change in Indiana nonfarm income determined by the Bureau**
- 13 **of Economic Analysis of the United States Department of**
- 14 **Commerce.**
- 15 **Sec. 4. As used in this chapter, "political subdivision" has the**
- 16 **meaning set forth in IC 36-1-2-13.**
- 17 **Sec. 5. As used in this chapter, "public employee" refers to any**
- 18 **of the following:**
- 19 **(1) An employee of the state.**
- 20 **(2) An employee of a political subdivision.**
- 21 **(3) An employee of any other entity whose salary is paid in**
- 22 **any part from funds derived from taxes imposed by the state**
- 23 **or a political subdivision.**

1 **Sec. 6. As used in this chapter, "public officer" refers to any of**
 2 **the following:**

- 3 (1) The governor.
- 4 (2) The lieutenant governor.
- 5 (3) The secretary of state.
- 6 (4) The auditor of state.
- 7 (5) The treasurer of state.
- 8 (6) The attorney general.
- 9 (7) The clerk of the supreme court.
- 10 (8) The state superintendent of public instruction.
- 11 (9) A justice of the supreme court of Indiana.
- 12 (10) A judge of the court of appeals of Indiana.
- 13 (11) A judge of the Indiana tax court.
- 14 (12) A judge of a circuit, superior, probate, or county court.
- 15 (13) A member of the general assembly.

16 **Sec. 7. There is established the public officers compensation**
 17 **advisory commission.**

18 **Sec. 8. (a) The commission consists of the following members:**

- 19 (1) Two (2) members appointed by the speaker of the house
 20 of representatives. The members appointed under this
 21 subdivision may not be members of the same political party.
- 22 (2) Two (2) members appointed by the president pro tempore
 23 of the senate. The members appointed under this subdivision
 24 may not be members of the same political party.
- 25 (3) Two (2) members appointed by the governor. The
 26 members appointed under this subdivision may not be
 27 members of the same political party.
- 28 (4) Two (2) members appointed by the chief justice of the
 29 supreme court of Indiana. The members appointed under this
 30 subdivision may not be members of the same political party.
- 31 (5) One (1) member appointed by the chief judge of the court
 32 of appeals of Indiana.

33 **(b) The following may not be a commission member:**

- 34 (1) A public officer.
- 35 (2) A public employee.
- 36 (3) An individual who has a pecuniary interest in the salary
 37 of a public officer. For purposes of this subdivision, an
 38 individual has a pecuniary interest in the salary of a public
 39 officer if an increase in the salary of a public officer will
 40 result in an ascertainable increase in the income or net worth
 41 of the individual.

42 **Sec. 9. (a) The term of a commission member begins on the**
 43 **later of the following:**

1 (1) July 1 after the member is appointed.

2 (2) The day the member accepts the member's appointment.

3 (b) The term of a commission member expires on July 1 of the
4 fourth year after the year the member's term begins.

5 (c) A member may be reappointed to serve a new term.

6 Sec. 10. (a) If there is a vacancy on the commission, the public
7 officer who appointed the member whose position is vacant shall
8 appoint an individual to fill the vacancy.

9 (b) The member appointed under this section shall fill the
10 vacancy for the remainder of the unexpired term.

11 Sec. 11. (a) Before July 1 of each odd numbered year, the
12 chairman of the legislative council shall appoint one (1) member
13 to be chair of the commission.

14 (b) The member appointed as chair of the commission serves
15 as chair beginning July 1 after appointment.

16 (c) A member of the commission may be reappointed as chair
17 of the commission.

18 Sec. 12. Five (5) commission members constitute a quorum.
19 The affirmative votes of at least five (5) commission members are
20 necessary for the commission to take official action other than to
21 adjourn or to meet to hear reports or testimony.

22 Sec. 13. The commission shall meet at the call of the chair and
23 at other times as the commission considers necessary.

24 Sec. 14. Each member of the commission is entitled to the
25 following:

26 (1) The salary per diem provided under IC 4-10-11-2.1(b).

27 (2) Reimbursement for traveling expenses as provided under
28 IC 4-13-1-4.

29 (3) Other expenses actually incurred in connection with the
30 member's duties as provided in the state policies and
31 procedures established by the Indiana department of
32 administration and approved by the budget agency.

33 Sec. 15. The legislative services agency shall provide
34 administrative support for the commission. At the request of the
35 legislative services agency, the state personnel department or the
36 Indiana judicial center established by IC 33-13-14-2 shall assign
37 staff to provide research and other support to assist the legislative
38 services agency in providing administrative support to the
39 commission.

40 Sec. 16. The legislative services agency may contract with
41 consultants on behalf of the commission as the commission
42 considers necessary to implement this chapter.

43 Sec. 17. Except as otherwise provided by this chapter, the

1 commission is subject to the rules of the legislative council.

2 Sec. 18. The commission shall make reports to the general
3 assembly as required by this chapter or by the legislative council.

4 Sec. 19. The commission shall meet at least one (1) time not
5 later than July 1 of each even-numbered year to do the following:

6 (1) Determine the growth rate from January 1 of the
7 previous year to January 1 of the current year.

8 (2) Receive information relating to the salaries of public
9 officers.

10 (3) Consider recommendations for suitable salaries for public
11 officers.

12 (4) Take testimony relating to the salaries of public officers.

13 Sec. 20. (a) Not later than September 1 of each even-numbered
14 year, the commission shall make written recommendations to the:

15 (1) legislative council; and

16 (2) budget committee;

17 concerning suitable salaries for public officers.

18 (b) When making recommendations, the commission shall
19 make a separate recommendation, including a recommendation
20 for no adjustment of salary, for each separate public officer listed
21 in section 6 of this chapter.

22 (c) The commission may not recommend a rate of increase in
23 the salary of a public officer that exceeds the growth rate.

24 Sec. 21. A commission recommendation does not take effect
25 unless enacted by the general assembly.

26 Sec. 22. There is appropriated to the legislative services agency
27 from the state general fund money necessary for the operation of
28 the commission.

29 Sec. 23. Notwithstanding IC 1-1-1-8, the provisions of this
30 chapter are not severable."

31 Delete pages 2 through 4.

32 Page 5, delete lines 1 through 19.

33 Page 16, delete lines 23 through 42, begin a new paragraph and
34 insert:

35 "SECTION 13. [EFFECTIVE UPON PASSAGE] (a)
36 Notwithstanding IC 1-1-1-8, the provisions of this SECTION are
37 not severable.

38 (b) Except as provided in this SECTION, the definitions in
39 IC 2-5-1.5, as added by this act, apply throughout this SECTION.

40 (c) As used in this SECTION, "commission" refers to the public
41 officers compensation commission established by subsection (e).

42 (d) As used in this SECTION "growth rate" equals two and
43 one-half percent (2.5%).

1 (e) The public officers compensation commission is established.

2 (f) The commission consists of the following members:

3 (1) Two (2) members appointed by the speaker of the house
4 of representatives. The members appointed under this
5 subdivision may not be members of the same political party.

6 (2) Two (2) members appointed by the president pro tempore
7 of the senate. The members appointed under this subdivision
8 may not be members of the same political party.

9 (3) Two (2) members appointed by the governor. The
10 members appointed under this subdivision may not be
11 members of the same political party.

12 (4) Two (2) members appointed by the chief justice of the
13 supreme court of Indiana. The members appointed under this
14 subdivision may not be members of the same political party.

15 (5) One (1) member appointed by the chief judge of the court
16 of appeals of Indiana.

17 (g) The following may not be a commission member:

18 (1) A public officer.

19 (2) A public employee.

20 (3) An individual who has a pecuniary interest in the salary
21 of a public officer. For purposes of this subdivision, an
22 individual has a pecuniary interest in the salary of a public
23 officer if an increase in the salary of a public officer will
24 result in an ascertainable increase in the income or net worth
25 of the individual.

26 (h) The chairman of the legislative council shall appoint one (1)
27 member to be chair of the commission.

28 (i) Five (5) commission members constitute a quorum. The
29 affirmative votes of at least five (5) commission members are
30 necessary for the commission to take official action other than to
31 adjourn or to meet to hear reports or testimony.

32 (j) The commission shall meet at the call of the chair and at
33 other times as the commission considers necessary.

34 (k) Each member of the commission is entitled to the following:

35 (1) The salary per diem provided under IC 4-10-11-2.1(b).

36 (2) Reimbursement for traveling expenses as provided under
37 IC 4-13-1-4.

38 (3) Other expenses actually incurred in connection with the
39 member's duties as provided in the state policies and
40 procedures established by the Indiana department of
41 administration and approved by the budget agency.

42 (l) The legislative services agency shall provide administrative
43 support for the commission.

1 (m) Notwithstanding IC 4-22-2, the commission may adopt
2 rules that have the force and effect of law to fix salaries of public
3 officers.

4 (n) Except as otherwise provided by this chapter, the
5 commission is subject to the rules of the legislative council.

6 (o) The commission shall meet after October 31, 2004, and
7 before November 16, 2004, to do the following:

8 (1) Receive information relating to the salaries of public
9 officers.

10 (2) Consider recommendations for suitable salaries for public
11 officers.

12 (3) Take testimony relating to the salaries of public officers.

13 (4) For each public officer listed in IC 2-5-1.5-6, as added by
14 this act, determine the most recent year that the public
15 officer received a salary increase.

16 (5) Adopt, if necessary, proposed rules to set the salaries of
17 public officers.

18 (p) If the commission adopts rules to change the salary of a
19 public officer, the commission must adopt a separate rule for each
20 separate public officer listed in IC 2-5-1.5-6, as added by this act,
21 whose salary is to be changed.

22 (q) The commission is not required to adopt or amend a rule to
23 change the salary of a public officer if the commission considers
24 the current salary suitable.

25 (r) If the commission does not adopt a rule relating to the
26 salary of a public officer, the salary of the public officer is the
27 salary provided by law.

28 (s) The rate of increase in the salary of a public officer may not
29 exceed the amount determined had the salary of the public officer
30 increased each year since the most recent year the public officer
31 received a salary increase by the growth rate.

32 (t) A rule adopted under this SECTION must be published in
33 the January 2005 edition of the Indiana Register.

34 (u) A rule adopted by the commission to set the salaries of a
35 public officer takes effect as follows:

36 (1) If the rule relates to the salary of the governor, the final
37 rule takes effect January 10, 2005. However, any increase in
38 the salary of the governor shall be paid in a lump sum on
39 July 1, 2005.

40 (2) If the rule relates to the salary of a member of the
41 general assembly, the final rule takes effect on January 1,
42 2005. However, any increase in the salary of a member of the
43 general assembly shall be paid in a lump sum on July 1, 2005.

- 1 **(3) If the rule relates to the salary of a public officer other**
2 **than a public officer described in subdivision (1) or (2), the**
3 **final rule takes effect on July 1, 2005.**
4 **(v) A rule relating to the salary of a public officer may not**
5 **diminish the compensation of the public officer below its level at**
6 **the time the rule becomes effective.**
7 **(w) This SECTION expires July 1, 2005."**
8 Delete page 17.
9 Page 18, delete lines 1 through 9.
10 Renummer all SECTIONS consecutively.
 (Reference is to HB 1401 as printed January 30, 2004.)

Representative Kuzman